REMARKS/ARGUMENTS

Applicant respectfully requests reconsideration of this application in view of the following remarks. Claims 1-54 remain pending and at issue, with claims 1, 9, 17, 25, 33, 41 and 50 being independent. It is believed that no additional fees are due for entry of this amendment. However, if additional fees are due, the Commissioner is authorized to charge such fees to deposit account number 13-2855.

Response to Claim Rejections

In the Office Action dated February 3, 2006, claims 1, 2, 7, 9, 10, 15, 17, 18, 23, 25, 26, 31, 33, 34, 39, 41, 46 and 48-50 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Schneider *et al.*(U.S. Patent No. 6,089,976). Claims 3-5, 11-13, 19-21, 27-29, 35-37, 42-44 and 51-53 stand rejected 35 U.S.C. § 103(a) as being unpatentable over Schneider *et al.* in view of Walker *et al.*(U.S. Patent No. 6,110,041). Claims 6, 14, 22, 30, 38, 45 and 54 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Schneider *et al.* in view of Burns *et al.*(U.S. Patent No. 6,048,269) and Saunders *et al.*(U.S. Patent No. 6,340,331 B1). Claims 8, 16, 24, 32, 40 and 47 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Schneider *et al.* in view of Adams (U.S. Patent No. 6,113,098). Applicant respectfully traverses the rejections of claims 1-54 and respectfully submits that claims 1-54 are not be properly rejectable over the applied references for the following reasons.

Applicant respectfully submits that the Office action fails to set forth a *prima facie* case of obviousness. In order to establish a *prima facie* case of obviousness, there must be <u>actual evidence</u> of a suggestion to modify a prior art reference, and the suggestion to combine or modify the prior art must be <u>clear and particular</u>. See, for example, *In re* Dembiczak, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999), where the Court of Appeals for the Federal Circuit stated:

We have noted that evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved...

* * *

The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be

clear and particular. Broad conclusory statements regarding the teaching of multiple references, standing alone, are **not 'evidence**.' (emphasis added, citations omitted).

Particular factual findings demonstrating the suggestion to combine must be made. See, for example, *Ecolochem Inc. v. Southern California Edison*, 56 U.S.P.Q.2d 1065 (Fed. Cir. 2000) and *In re* Dembiczak, 50 U.S.P.Q.2d 1614, 1617-1618 (Fed. Cir. 1999), where the Court of Appeals for the Federal Circuit stated:

In addition to demonstrating the propriety of an obviousness analysis, particular factual findings regarding the suggestion, teaching, or motivation to combine serve a number of important purposes, including: (1) clear explication of the position adopted by the Examiner and the Board; (2) identification of the factual disputes, if any, between the applicant and the Board; and (3) facilitation of review on appeal. Here, however, the Board did not make particular findings regarding the locus of the suggestion, teaching, or motivation to combine the prior art references.

* * *

Nowhere does the Board particularly identify any suggestion, teaching, or motivation to combine the children's art references (Holiday and Shapiro) with the conventional trash or lawn bag references, nor does the Board make specific --or even inferential-- findings concerning the identification of the relevant art, the level of ordinary skill in the art, the nature of the problem to be solved, or any other factual findings that might serve to support a proper obviousness analysis.

* * *

Because we do not discern any finding by the Board that there was a suggestion, teaching, or motivation to combine the prior art references cited against the pending claims, the Board's conclusion of obviousness, as a matter of law, cannot stand. (emphasis added)

The mere fact that reference <u>can</u> be modified is <u>not</u> sufficient to establish a prima facie case of obviousness. See Section 2143.01 of the M.P.E.P., which states: "The mere fact that references <u>can</u> be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990)" (emphasis original).

The alleged motivation or suggestion outlined in the Office action at page 4 for modifying Schneider et al. to provide user selection as recited in the claims is not supported by actual evidence, is internally inconsistent and, at least in part, provides a disincentive for the proposed modification of Schneider et al. The Office action asserts that is was "well known at the time the invention was made to allow for user selection or intervention to create interactive and exciting games for users which entice continuous game play that generates revenue for the gaming establishments." (See, February 3, 2006 Office action at page 4). While it may or may not be true that user selection and intervention in the gameplay of a gambling game may increase the excitement of a game, no basis exists for the assertion that user selection in areas unrelated to the gameplay of the gambling game, such as the timing of dispensing a player's available credits and the amount of a player's available credits to dispense, increases the excitement of playing the gambling game itself or entices continuous play of the gambling game. Therefore, a person skilled in the art attempting to increase the excitement of a gambling would have been motivated to make modifications to the gameplay of the gambling game instead of the manner in which credits are dispensed to a user. Moreover, providing user selection to allow a player to dispense a bonus payout sooner than when cashing out all of the player's credits as was known in the art at the time of the invention fosters discontinuous game play by the players. By allowing the player to receive bonus credits or money, the player has fewer credits available in the gaming machine and must reinsert the dispensed bonus credits either back into the same machine or into another gaming machine if the player loses the credits remaining after the bonus credits were dispensed, thereby creating an inherent discontinuity in the gameplay by the player. Consequently, a person skilled in the art at the time of the invention motivated to entice continuous gameplay would not modify Schneider et al. to allow a player to elect to dispense a bonus payout before returning from the bonus game to the main game as recited in the claims.

The Office action further asserts that "it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Schneider *et al.* to allow for user selection . . . to determine if a bonus payout is dispensed directly to a user or added to the user's credit meter to provide an interactive and exciting game that entices users to player the gaming machine while generating increased revenue for gaming establishments." (*See*, February 3, 2006 Office action at page 4). As discussed above, the Office action provides no

actual evidence that modifying the manner in which credits are paid out to a player increases the excitement of the gambling game or entices players to play a gaming machine offering user selection as recited in the claims. Further, the Office action provides no basis for the assertion that allowing a user to elect to have a bonus payout dispensed at the end of a bonus game instead of when the user cashes out will generate increased revenue for the gaming establishment. If anything, allowing the player to elect to dispense bonus payouts sooner rather than later may result in decreased revenue for the gaming establishment because at least some players will not put the dispensed bonus payout back into the same gaming machine or into another gaming machine. The gaming establishment wants to keep the player's money in the gaming machine as long as possible, or at least it is in the gaming establishment's interest to do so, because the player is more likely to lose more money over time based on the expected payout rate of the gaming machines. As with continuous gameplay, the motivation to increase revenues provides a disincentive for modifying Schneider et al. as proposed in the Office action to provide user selection to determine whether a bonus payout is dispensed to the user or added to the available credits as recited in independent claims 1, 9, 17, 25, 41 and 50. Because the applied references and the asserted motivation would not have led one of ordinary skill in the art to modify Schneider et al. in the manner proposed in the Office action, and instead would have provided disincentives for the proposed modification of Schneider et al., it follows that independent claims 1, 9, 17, 25, 41 and 50 and the claims depending therefrom are not rendered obvious as asserted in the Office action and, consequently, applicant respectfully requests withdrawal of the rejections of claims.

For at least the foregoing reasons, reconsideration and withdrawal of the rejection of the claims and allowance thereof are respectfully requested. Should the Examiner wish to discuss the foregoing or any matter of form in an effort to advance this application towards allowance, he is urged to telephone the undersigned at the indicated number.

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Respectfully submitted,

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